OLL 85-3911 19 December 1985

MEMORANDUM FOR: D/O'L

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FROM:

Chief, Legislation Division Office of Legislative Liaison

SUBJECT:

HPSCI Minority Letter to Admiral Poindexter

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Proposed Legislative Items for FY '87

- 1. Attached for your information is a letter from the minerity members of the House Permanent Select Committee on Intelligence (HPSCI) to Admiral Poindexter. The letter suggests items for consideration in the Administration's formulation of the Fiscal Year 1987 Intelligence Authorization Act. You also will note that it recommends that the National Security Council take a larger role in the preparation of this legislation so that the President's program is more greatly advanced than by a bill produced by the present "mid-level" interagency coordination process. ".
- Also attached is a summary of the various items proposed by the HPSCI Republicans as part of their intelligence-related legislative agenda. The tabs referred to in the summary have not, as yet, been provided to this Office.


Attachments: as stated

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CAN DANELLY TO ROBERT A ROUNDER COLOTON GEORGE E BROWN, JR. CALIFORNIA MATTHEW F. MCHUDM, NEW YORK BERNARD J. DWYER, NEW 2010EY

BOB STUMP, ARIZONA ANDY RELAND, FLOR DA MENRY J. MYDE, ILLINOIS DICK CHENEY, WYDMING BOB LIVINGSTON, LOUISLANA BOB MEWEN, ONIO

THOMAS K. LATIMER, STAFF DIRECTOR MICHAEL J. O'NEIL CHIEF COUNSEL STEVEN K. BERRY, ASSOCIATE COUNSEL

## U.S. HOUSE OF REPRESENTATIVES

PERMANENT SELECT COMMITTEE
ON INTELLIGENCE

WASHINGTON, DC 20515

December 10, 1985

Vice Admiral John M. Poindexter, USN Assistant to the President for National Security Affairs The White House Washington, D.C. 20500

Dear Admiral Poindexter:

As you know, the Administration will soon forward to the Congress its proposed Intelligence Authorization Act for Fiscal Year 1987. We would urge that the National Security Council take an especially active role in the formulation of the Administration's proposed bill. We believe an active NSC role would be more likely to produce a bill which advances the President's program than would be a bill produced by the mid-level interagency coordination process.

Enclosed for your consideration in the context of the Administration's formulation of the FY 1987 Intelligence Authorization Act is the intelligence-related legislative agenda which we support as Republican Members of the Permanent Select Committee on Intelligence. The enclosed legislative proposals represent provisions introduced earlier this year by one or more Republican Members and legislative initiatives we think deserving of Administration support. We especially commend to your attention the proposals to improve FBI counterintelligence access to bank and tax records and the proposal to improve cryptographic security of U.S. communications.

Sincerely,

Bob Stump,

Ranking Minority Member

Andy Ireland

Member of Congress

Henry d. Hyde

Member of Congress

Dick Cheney

Member of Congress

Bob Livingston
Member of Congress

Member of Congress

Bob McEwen

Member of Congress

## RECOMMENDED PRESIDENT'S PROGRAM PROPOSALS (Priority items meriting direct presidential support)

- FBI Counterintelligence Access to Bank and Tax Records (Tab A) -- Amends Right to Financial Privacy Act and Internal Revenue Code to grant the Federal Bureau of Investigation access to financial and tax records in foreign counterintelligence investigations.
- Cryptographic Security of U.S. Government Agencies and Contractors (Tab B)-Authorizes the Secretary of Defense to issue regulations on the purchase, use and disposal of cryptographic equipment by the U.S. Government and government contractors.

## RECOMMENDED INTELLIGENCE COMMUNITY PROGRAM PROPOSALS

- Permanent Authority for DOD Counterintelligence Polygraph Program (Tab C)--Establishes in permanent law the DOD counterintelligence polygraph program which Congress has authorized in the past on a year-to-year basis.
- Counterintelligence Restrictions on Foreign Diplomatic Personnel (Tab D)-Requires determinations by the Director, FBI that travel by foreign diplomats within the United States is not inconsistent with U.S. national security interests before the Secretary of State may authorize such travel.
- Congressional Security Survey (H.R. 3387) (Tab E)-Provides for an FBI survey, under the guidance of the congressional leadership, of congressional personnel, physical, document and communications security arrangements relating to classified information.
- Pretrial Notice Requirement for Intelligence/Law Enforcement Defense (Tab F)-Requires pretrial notice by criminal defendants that they will claim to have been working secretly for a U.S. intelligence or law enforcement agency at the time of the alleged offenses.
- Federal Employee Pension Forfeiture for Conviction for Disclosing Identities of Covert U.S. Intelligence Agents (H.R. 3388) (Tab G)-Amends existing federal statute disqualifying employees from pensions for conviction of national security offenses to include among those offenses the federal felony of disclosing the identities of U.S. covert intelligence agents.
- Civilian Espionage and Treason Death Penalty Procedures (Tab H)—Establishes constitutional procedures for imposition of the existing death penalty for espionage and treason.
- Criminal Penalties for Unauthorized Disclosure of Classified Information by Federal Employees (Tab I) -- Establishes criminal penalties for unauthorized disclosures of classified information by federal employees.

NOTE: Items at tabs contain legislative provisions and brief summaries of need for legislation.

